Medicaid Program Evaluation

Working Paper

MPE 5.1 October 1985

Medicaid Eligibility After the Omnibus Budget Reconciliation Act of 1981

Joel Cohen
John Holahan

The Urban Institute

Department of Health and Human Services
Health Care Financing Administration
Office of Research and Demonstrations

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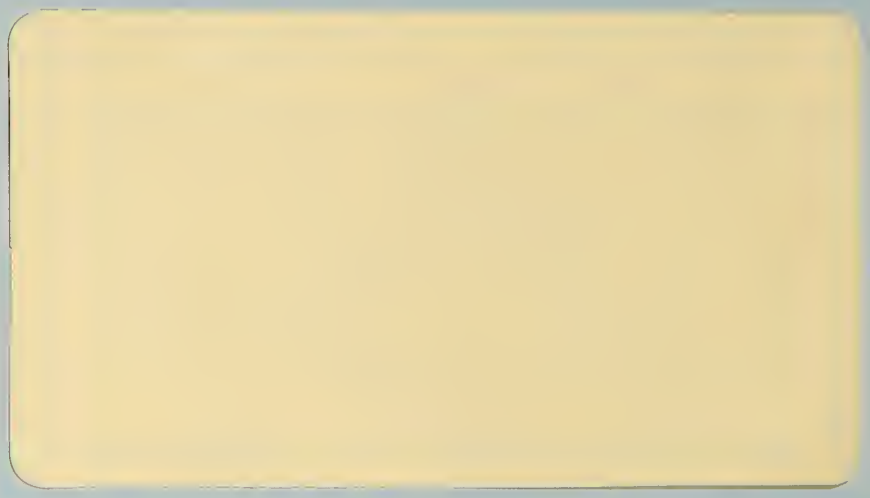

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Project Officer: Gerald Adler

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PREFACE

The Medicaid program, which finances health care for over 20 million needy Americans, has undergone major changes since 1981. Beginning with the Omnibus Budget Reconciliation Act of 1981 (OBRA), Congress gave the states much more flexibility to change basic parameters of the program, including which groups of people are served, what services are provided, how doctors, hospitals, and nursing homes are paid, and how care can be organized in innovative ways.

The Medicaid Program Evaluation addresses the implementation and impact of selected changes in the Medicaid program to provide knowledge for policy assessment and future legislative change. It is focused on selected issues and policy questions raised by recent legislation.

- Federal Financial Participation
- Inpatient Hospital Reimbursement
- Eligibility
- Case Management
- Home and Community-Based Waiver Program
- Cost-Sharing
- Financial Incentives for Family Care
- Medicare DRG Effects on Medicaid
- Synthesis

Together these studies are intended to describe how recent changes have been implemented, and analyze what their effects have been for program services and costs.

This paper examines the impact of the major changes in the 1981 OBRA legislation on Medicaid eligibility. From 1981 to 1982, program enrollment declined in 28 of the 31 states examined. The report describes these changes both overall, by state, and across eligibility categories. Changes in enrollment are compared to changes in the underlying poverty population. The role of medically needy and AFDC-UP programs in covering individuals affected by OBRA is examined.

Gerald Adler
Project Officer
HCFA Office of Research

EXECUTIVE SUMMARY

The Medicaid program is this country's primary purchaser of health care services for the poor. The program does not, however, cover everyone in the U.S. with an income below the official poverty standard. In addition to the proportion of the population in poverty, the number of people enrolled in Medicaid depends upon the specific eligibility policies chosen by the federal and state governments.

The Omnibus Budget Reconciliation Act of 1981 (OBRA) made a number of important changes in the regulations governing Medicaid eligibility. The purpose of this paper is to examine the impact of changes in Medicaid eligibility policy on the numbers of people enrolled in the program. We look at the average monthly number of Medicaid enrollees pre-OBRA (federal fiscal year 1981) and post-OBRA (federal fiscal year 1982) for eight different Medicaid eligibility categories, and discuss the implications that changes in these numbers represent. Although the available data do not permit us to make conclusive judgments about the extent to which the provisions of OBRA were directly responsible for changes in Medicaid enrollment, they do allow us to determine the direction of those changes and whether they were consistent with the provisions of the Act.

The major findings of this study can be summarized as follows:

1. Monthly average numbers of Medicaid enrollees declined substantially between fiscal years 1981 and 1982, decreasing in 28 of the 31 states examined. The largest declines were in the AFDC eligibility categories, consistent with the changes in AFDC eligibility mandated by OBRA.

2. In general, medically needy states showed smaller proportional declines in enrollees than non-medically needy states; however, medically needy coverage did not typically substitute for cash-recipient coverage. Of the 15 medically needy states showing a decrease in cash-recipient enrollees, 10 also showed a decrease in the number of enrollees not receiving cash assistance.

3. A few medically needy states did, nonetheless, show increases in non-cash-recipient enrollees, offsetting part of the loss in cash-recipient enrollment.

4. AFDC-UP coverage may have functioned as a health insurance program for the unemployed in states offering such coverage. Adult enrollment declined much more slowly in states offering AFDC-UP coverage than in states not offering it.

5. Ratios of Medicaid enrollees to persons in poverty declined significantly following the implementation of OBRA. The changes were particularly large for adults and children, where the incidence of poverty was increasing at the same time that Medicaid enrollment was declining.

I. MEDICAID ELIGIBILITY POLICY

This paper examines changes in Medicaid enrollment before and after the Omnibus Budget Reconciliation Act introduced major changes in the program's eligibility policies. The first section of the paper describes Medicaid eligibility in general, and the primary eligibility changes contained in OBRA. The following sections discuss changes in the average monthly number of persons enrolled in Medicaid between 1981 and 1982, both overall and across eligibility categories, and relate those changes to the provisions of OBRA and pre-OBRA trends in the program.

Prior to OBRA, states were required to cover some eligibles, called "categorically eligible"--those who receive welfare cash assistance. These include individuals receiving aid through the Aid to Families with Dependent Children and, in most cases, the Supplemental Security Income programs. Coverage of AFDC recipients is automatic but states have considerable discretion over income and resource standards. SSI is a federal program with minimum income standards for cash assistance to the aged, blind and disabled. Because the introduction of SSI in 1974 would have expanded eligibility significantly in some states, states were permitted to apply more restrictive eligibility criteria. States were also permitted the option of covering SSI supplement recipients. As of February 1982, 14 states applied more restrictive eligibility standards and 34 states covered at least some state supplement recipients.

In addition, states may choose to cover other categorically related people. Thus, states have the option to include, for example, people eligible for but not receiving cash welfare assistance and individuals eligible but institutionalized. This optional group also includes individuals under age 21 who otherwise would be eligible for AFDC but do not qualify as dependent children (e.g., children in intact families or in foster homes).

A more important optional group is the "medically needy"; persons whose incomes or assets are too high to allow them to receive welfare payments but who still are deemed unable to afford their medical bills. Medically needy coverage allows people to "spend down" their incomes by incurring medical bills sufficient to reduce their income to welfare levels or a specified percentage above those levels. These levels cannot exceed 133 percent of the AFDC payment standard. As of June 1982, 30 states covered the medically needy.

Finally, states may include persons receiving cash payments under a totally state welfare program like General Assistance or Home Relief. Typical "state only" eligibles are able-bodied people between the ages of twenty-one and sixty-five who earn or have resources enough to handle their basic needs but not enough to meet medical expenses. The federal government does not share in the cost of caring for state-only eligibles.

There are two main ways states have historically (prior to October 1, 1981) limited Medicaid eligibility, either (1) controlling eligibility in the underlying welfare categories or (2) restricting groups covered specifically and optionally under Medicaid itself. The principal way that states have restricted the number of welfare recipients is through their control over the amount of income and assets people may have and still receive AFDC. States vary widely in their generosity. Most states have failed to raise welfare

standards to keep pace with general inflation. As poor people's incomes and assets have risen, more and more have surpassed the eligibility ceilings, dropped off the welfare rolls, and hence lost their Medicaid eligibility. Comparatively few states have even purported to "index" welfare levels to keep up with inflation; states experiencing budgetary crisis are especially likely to hold down increases in welfare ceilings at least temporarily. A 1984 Congressional report showed that real benefit levels declined in all but two states between 1980 and 1984,[1] with an average real reduction of 33 percent. States can also make changes restricting the amount of "income disregards" (items such as work-related expenses that are not counted as income) or of protected assets (those that welfare recipients may retain without affecting eligibility). With respect to aged, blind, or disabled people, states have had less discretion to hold down payment levels arbitrarily since the 1972 federal Social Security Act Amendments and the shift to a more federalized SSI system.

States may theoretically limit Medicaid eligibility by eliminating optional eligibility categories, but have rarely done so. Finally, states may change their medically needy eligibility standards (e.g., by reducing from 33 percent to 10 percent the amount by which the income of Medicaid beneficiaries may surpass welfare cash-assistance limits); this has occurred in many states.

The 1981 act made a number of changes in eligibility rules for Medicaid. The most important were a gross income limit for AFDC eligibility equal to 150 percent of the state's need standard, a limit on child care deductions, a limit on work related expenses of $75 per month, and a limit on the work incentive disregard to four months. Other changes were:

1. Coverage of persons under age twenty-one who do not receive AFDC payments, but who would be eligible for AFDC if they were in school, became optional rather than mandatory.

2. States were prohibited from making cash-assistance payments to first-time pregnant women until the sixth month of pregnancy; states were given the option of providing AFDC benefits thereafter. (They also retained the option of providing Medicaid benefits from the time pregnancy was medically verified.)

3. Medically needy income and asset levels were permitted to vary between groups (e.g., aged vs. disabled). This change allows states to target additional optional coverage more selectively.

In addition, through a provision in the 1980 Omnibus Budget Reconciliation Act that was not implemented until late in FY 1981, states were permitted to exclude from eligibility people who "impoverished" themselves by giving away

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1. U.S. House of Representatives, Committee on Ways and Means, "Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means," February 21, 1984, p. 306.

assets to qualify for medical assistance (for example, giving a home to children before entering a nursing home). Technically, the new rule allows a presumption that, if during the two years prior to applying for Medicaid coverage, an applicant has transferred assets to someone else and received less than fair market value in exchange, that person may be presumed to have done so to establish Medicaid eligibility. If the applicant cannot rebut this presumption, she or he may be denied Medicaid coverage.

The legislative changes affecting Medicaid eligibility for the aged, blind, and disabled were fairly limited. Only the provisions increasing flexibility for the coverage of the medically needy would directly affect those groups. Longer term trends indicate that aged SSI recipients have been declining while blind and disabled recipients have been increasing. Elderly recipients declined by 18.2 percent between 1975 and 1981.[2] Increasing social security benefit levels, moving the elderly out of poverty, are probably principally responsible for the decline in aged recipients. The number of disabled recipients under 65 has increased by 5.1 percent over the same period.[3] This probably reflects the tightening of social security eligibility requirements for the disabled. Those with sufficiently low incomes may have sought income support through SSI. The increase may also reflect increased willingness to participate in SSI among the blind and disabled.

Changes in AFDC eligibility following OBRA also will reflect factors other than the changes made through that legislation. First, as discussed above, states have allowed benefit levels to increase very slowly and in all but two states there have been real reductions. This has the effect of eliminating some of those with earned income from eligibility. These low rates of increase in AFDC benefits would have undoubtedly continued, particularly in light of the economic recession. On the other hand, lower incomes for families with periods of unemployment--and loss of employer-paid health insurance--are likely to have kept eligibility levels higher than they otherwise would have been. Nationally, the number of AFDC families fell by 1.6 percent between 1977 and 1978 and by 1.3 percent between 1978 and 1979. This changed to an increase of 4.2 percent in 1980 and 6.3 percent in 1981, perhaps in response to unemployment increases.[4]

Another confounding influence is that the general federal aid cutbacks may have actually made Medicaid more attractive to state decision makers. Reductions in Title XX spending, for instance, may have made states more interested in expanding Medicaid coverage of services such as home health or family planning. Pressures on local government budgets may have in themselves increased state willingness to cover the medically needy, "Ribicoff kids," and AFDC-UP families under Medicaid. In both cases, the federal match, although slightly lower than before, may have been viewed as better than no match at all.

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2. U.S. House of Representatives, p. 388.

3. U.S. House of Representatives, p. 388.

4. U.S. House of Representatives, p. 311.

States could also offset the effects of OBRA by increasing their need standard. Since earned income is not permitted to exceed 150 percent of the need standard, states can "protect" the otherwise affected working AFDC recipient by raising the need standard. Data from the House Ways and Means Committee indicate that many states increased their need standards after the passage of OBRA.[5]

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5. U.S. House of Representatives, pp. 304-305.

II. DATA

A. Source

The data used in this study were taken from a statistical report (the HCFA-120) submitted monthly by states to the Health Care Financing Administration. One section of this report details the number of individuals certified as being eligible for Medicaid at the end of the month by category of eligibility--e.g., aged, blind, disabled--and cash assistance status--i.e., receiving or not receiving cash payments from the SSI or AFDC programs. Individuals eligible for Medicaid but not receiving cash payments are for the most part the medically needy, but also include various other eligibility classifications, for example, certain relatively high income institutionalized aged, blind, and disabled persons and "Ribicoff kids."

Using the end of the month eligibility data for each month from October of 1980 through September of 1982, we computed the monthly average number of persons certified as eligible for Medicaid (i.e., the number of persons actually enrolled in the program) in fiscal years 1981 and 1982 for each of eight different eligibility classifications in 31 states. The 31 states were selected by virtue of their having submitted apparently valid data over the entire time period of interest. The eligibility classifications are illustrated in Figure 1.

Figure 1.
Eligibility Classifications

	Receiving Cash Assistance	Not Receiving Cash Assistance
Aged	x	x
Blind and Disabled	x	x
AFDC Children	x	x
AFDC Adults	x	x

The data on numbers of persons in poverty used to compute ratios of Medicaid eligibles to persons with incomes below the poverty line were derived from the Urban Institute's Transfer Income Model (TRIM2). TRIM2 is a micro-simulation model which uses data primarily from the Census Bureau's Current Population Survey (CPS) to study the effects of changes in various tax and transfer programs. We used it to take CPS data and produce estimates of the number of persons with incomes below the poverty line in three age groups; below age 21 (children), ages 21-64 (adults), and ages 65+ (the aged).[6] TRIM2 simulations are superior to the raw CPS poverty population figures because the model is not sensitive to certain survey deficiencies, most notably the

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6. Estimates were made using the CPS from March 1982 and 1983, which reflect data for the prior fiscal years.

inaccurate reporting of some kinds of income. Since small sample sizes can produce unreliable estimates, we computed ratios only for various groupings of states. In addition to an overall group, we disaggregated the states into those with and without medically needy programs, and those with and without AFDC-UP coverage.

B. Comparisons to Changes in Cash Recipients

As a check on the validity of the HCFA-120 eligibility data, we compared changes in the numbers of reported Medicaid enrollees receiving cash assistance in our 31 states to changes in the numbers of SSI and AFDC cash recipients reported in the Social Security Bulletin. The SSI and AFDC cash recipient figures we used were for months at the midpoint of each fiscal year. Thus, the percentage changes we computed represent the change in recipients from a month at the midpoint of fiscal year 1981 to a month at midpoint of fiscal year 1982. This is slightly different from the way we computed the number of Medicaid enrollees, which represent monthly averages over the entire fiscal year, but, nonetheless, should be sufficient for comparison purposes.

The comparisons showed that percentage changes in Medicaid enrollees and cash recipients correspond quite closely for each of the 4 eligibility categories (the aged, blind and disabled, AFDC children, and AFDC adults).[7] Almost 90 percent of the changes are in the same direction and are generally very similar in magnitude. Most of those that are in opposite directions (all but 3 are in the blind and disabled category) tend to be tightly clustered around zero, and thus could well be an artifact of simple monthly variation not controlled for in our midpoint to midpoint computations. For example, while the average monthly number of blind and disabled Medicaid enrollees in Georgia showed an increase of 0.3 percent, the midpoint to midpoint number of blind and disabled cash recipients showed a decrease of 0.3 percent, which is not substantially different. Overall, then, the HCFA-120 enrollment data for these 31 states appear to be reasonable for measuring changes in monthly numbers of Medicaid enrollees, at least in comparison to a similar set of data.

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7. Tables comparing the percentage changes in Medicaid eligibles and cash recipients for each of the 4 groups are presented in the appendix.

III. MEDICAID ENROLLMENT PRE- AND POST-OBRA

Tables 1 through 5 present data on the average monthly number of Medicaid enrollees in fiscal years 1981 (pre-OBRA) and 1982 (post-OBRA). Tables 1 through 3 contain totals for all enrollees (Table 1), enrollees receiving cash assistance (Table 2), and enrollees not receiving cash assistance (Table 3). Tables 4 and 5 contain percentage changes in average monthly enrollee numbers for each of the eight eligibility classifications described above.[8] The 31 states are grouped in the tables according to whether or not they offered optional coverage of the medically needy in their Title XIX programs. Because a medically needy program significantly enlarges Medicaid coverage in any state that chooses this option, indicating a willingness to spend additional money for expanded eligibility, we hypothesized that states with medically needy programs might have been less willing to tighten their own eligibility criteria in response to federal cutbacks. If this were true, then any post-OBRA enrollment declines might well have been slower in states with than without medically needy coverage. In addition, medically needy programs might have picked up individuals with high medical care costs who were dropped from the cash assistance rolls because of tightened AFDC and SSI eligibility criteria. Although Medicaid coverage is offered to certain groups of categorically needy individuals who are not receiving cash assistance even in states without medically needy programs, the numbers of these enrollees are small relative to the medically needy. Thus, we expected that any large enrollment shifts from receiving to not receiving cash assistance would have occurred primarily in the medically needy states.

Another factor which may have had an impact on AFDC eligibility was AFDC unemployed parent (UP) coverage, under which states may provide cash assistance to intact families with dependent children whose lack of support is due to unemployment. Since these families would also have been eligible for Medicaid, this option could have had a large impact on changes in numbers of AFDC related Medicaid enrollees between 1981 and 1982, a period of high unemployment. Thus, we hypothesized that states with AFDC-UP coverage might have had less of a decline than other states in AFDC enrollment.

A. Enrollment Changes: 1981-1982

1. Totals

Table 1 shows that enrollment declined in 28 of the 31 states between fiscal years 1981 and 1982. For example, the total number of enrollees in Illinois fell from 934,000 in 1981 to 924,000 in 1982; in Massachusetts it fell from 562,000 to 496,000, and in Pennsylvania from 953,000 to 870,000. The only states to show an increase in their average monthly number of enrollees were California, (which had by far the largest number of enrollees--2,578,000 in 1981 and 2,584,000 in 1982) Minnesota, and Nebraska--all medically needy states. In California and Nebraska the increases were quite small, however--0.2 and 1.0 percent, respectively.

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8. Tables with the actual average numbers of enrollees in both years for each classification are presented in the appendix.

Table 1

Average Monthly Medicaid Enrollees

State	1981	1982	% Change 1981-1982
Total	11,328,669	10,798,533	-4.68
Arkansas	184,008	161,135	-12.43
California	2,577,517	2,583,794	0.24
Illinois	934,127	923,683	-1.12
Kansas	121,146	109,617	-9.52
Kentucky	339,949	308,566	-9.23
Maryland	315,688	298,040	-5.59
Massachusetts	561,672	495,717	-11.74
Minnesota	210,954	224,987	6.65
Nebraska	62,946	63,589	1.02
New Hampshire	37,158	34,137	-8.13
North Carolina	300,831	258,062	-14.22
North Dakota	27,819	25,101	-9.77
Pennsylvania	953,139	870,456	-8.67
Rhode Island	89,859	83,114	-7.51
Utah	56,589	51,067	-9.76
Virginia	281,670	265,383	-5.78
Wisconsin	372,103	365,438	-1.79
Subtotal: Medically Needy States	7,427,174	7,121,005	-4.11
Alabama	335,805	315,497	-6.05
Colorado	127,563	122,096	-4.29
Delaware	50,606	40,939	-19.10
Florida	487,724	470,268	-3.58
Georgia	421,472	407,232	-3.38
Idaho	31,040	29,516	-4.91
Iowa	158,470	143,508	-9.44
Nevada	22,291	21,381	-4.08
New Jersey	635,750	577,387	-9.18
New Mexico	92,543	87,142	-5.84
Ohio	742,846	729,285	-1.83
Oregon	127,786	115,450	-9.65
South Dakota	31,612	29,916	-5.36
Texas	635,987	587,033	-7.70
Subtotal: Non-Medically Needy States	3,901,494	3,676,648	-5.76

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table 2

Medicaid Enrollees Receiving
Cash Assistance

State	1981	1982	% Change 1981-1982
Total	9,766,247	9,257,929	-5.20
Arkansas	158,437	138,241	-12.75
California	2,179,878	2,182,970	0.14
Illinois	827,358	826,747	-0.07
Kansas	88,958	81,465	-8.42
Kentucky	271,360	244,779	-9.80
Maryland	273,303	256,185	-6.26
Massachusetts	472,728	418,321	-11.51
Minnesota	165,460	171,412	3.60
Nebraska	51,066	50,564	-0.98
New Hampshire	28,030	24,991	-10.84
North Carolina	262,365	219,374	-16.39
North Dakota	17,943	15,351	-14.44
Pennsylvania	811,813	709,615	-12.59
Rhode Island	69,013	63,644	-7.78
Utah	45,831	39,921	-12.90
Virginia	240,314	228,019	-5.12
Wisconsin	296,444	293,831	-0.88
Subtotal: Medically Needy States	6,260,300	5,965,429	-4.71
Alabama	309,873	294,279	-5.03
Colorado	115,383	108,128	-6.29
Delaware	43,655	36,149	-17.19
Florida	455,087	434,808	-4.46
Georgia	385,486	375,816	-2.51
Idaho	23,348	21,110	-9.58
Iowa	136,924	116,009	-15.28
Nevada	19,193	18,153	-5.42
New Jersey	573,330	513,983	-10.35
New Mexico	87,432	82,653	-5.47
Ohio	664,088	662,138	-0.29
Oregon	102,259	90,241	-11.75
South Dakota	25,685	23,288	-9.33
Texas	564,204	515,746	-8.59
Subtotal: Non-Medically Needy States	3,505,946	3,292,500	-6.09

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table 3

Medicaid Enrollees Not Receiving
Cash Assistance

State	1981	1982	% Change 1981-1982
Total	1,562,422	1,540,605	-1.40
Arkansas	25,571	22,894	-10.47
California	397,638	400,824	0.80
Illinois	106,769	96,936	-9.21
Kansas	32,188	28,152	-12.54
Kentucky	68,589	63,787	-7.00
Maryland	42,385	41,855	-1.25
Massachusetts	88,944	77,397	-12.98
Minnesota	45,494	53,575	17.76
Nebraska	11,880	13,025	9.64
New Hampshire	9,128	9,146	0.20
North Carolina	38,467	38,688	0.57
North Dakota	9,876	9,749	-1.28
Pennsylvania	141,326	160,840	13.81
Rhode Island	20,846	19,470	-6.60
Utah	10,757	11,146	3.61
Virginia	41,356	37,365	-9.65
Wisconsin	75,658	71,607	-5.36
Subtotal: Medically Needy States	1,166,874	1,156,456	-0.89
Alabama	25,932	21,218	-18.18
Colorado	12,180	13,968	14.68
Delaware	6,951	4,791	-31.08
Florida	32,637	35,459	8.65
Georgia	35,986	31,416	-12.70
Idaho	7,692	8,405	9.28
Iowa	21,546	27,499	27.63
Nevada	3,098	3,228	4.17
New Jersey	62,420	63,404	1.58
New Mexico	5,112	4,489	-12.18
Ohio	78,758	67,147	-14.74
Oregon	25,527	25,209	-1.25
South Dakota	5,926	6,628	11.84
Texas	71,784	71,286	-0.69
Subtotal: Non-Medically Needy States	395,548	384,148	-2.88

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table 4

Percent Change in Medicaid Enrollees
Receiving Cash Assistance

State	Aged	Blind and Disabled	AFDC Children	AFDC Adults	Total
Total	-5.85	-0.88	-7.24	-3.23	-5.20
Arkansas	-7.87	-0.55	-22.31	-16.37	-12.75
California	-5.13	-0.81	-0.15	4.40	0.14
Illinois	-6.52	-6.58	-0.53	4.47	-0.07
Kansas	-5.70	0.05	-13.06	-0.56	-6.42
Kentucky	-6.44	2.20	-17.31	-7.25	-9.80
Maryland	-4.93	0.87	-7.42	-7.42	-6.26
Massachusetts	-6.05	3.17	-14.12	-16.28	-11.51
Minnesota	-4.89	2.18	8.00	-2.02	3.60
Nebraska	-4.04	2.21	-1.74	0.36	-0.98
New Hampshire	-9.17	4.30	-14.24	-10.30	-10.84
North Carolina	-16.24	-6.86	-19.84	-13.51	-16.39
North Dakota	-5.40	0.57	-18.10	-17.67	-14.44
Pennsylvania	-9.93	-9.75	-12.23	-15.43	-12.59
Rhode Island	-5.80	0.17	-10.93	-5.98	-7.78
Utah	-3.22	-1.88	-11.78	-19.74	-12.90
Virginia	-1.52	3.73	-9.10	-3.55	-5.12
Wisconsin	-9.76	-0.30	-2.64	6.70	-0.88
Subtotal: Medically Needy States	-6.58	-1.84	-6.08	-2.80	-4.71
Alabama	-6.48	1.21	-8.14	-2.68	-5.03
Colorado	-1.30	1.48	-11.15	-4.39	-6.29
Delaware	-7.12	-3.61	-21.32	-16.82	-17.19
Florida	-4.42	4.23	-8.74	-3.55	-4.46
Georgia	-6.31	0.28	-5.16	4.82	-2.51
Idaho	-15.88	-7.29	-9.37	-9.29	-9.58
Iowa	-7.89	-1.66	-18.11	-17.33	-15.28
Nevada	-3.16	4.98	-8.98	-5.68	-5.42
New Jersey	-5.12	0.76	-13.02	-10.10	-10.35
New Mexico	2.43	5.92	-10.43	-10.20	-5.47
Ohio	-2.99	-1.96	-2.59	6.34	-0.29
Oregon	-2.74	-0.75	-13.97	-11.94	-11.75
South Dakota	-5.49	0.49	-12.40	-12.47	-9.33
Texas	-4.81	-0.51	-14.31	-9.80	-8.59
Subtotal: Non-Medically Needy States	-4.87	0.84	-9.31	-4.13	-6.09

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table 5

Percent Change in Medicaid Enrollees
Not Receiving Cash Assistance

State	Aged	Blind and Disabled	AFDC Children	AFDC Adults	Total
Total	-2.33	-5.31	-2.45	9.15	-1.40
Arkansas	1.44	3.62	-27.51	-2.84	-10.47
California	3.68	-1.27	-1.98	5.80	0.80
Illinois	-6.52	-6.58	-15.42	-6.55	-9.21
Kansas	-7.00	-6.58	-22.14	-16.86	-12.54
Kentucky	0.58	-6.24	-19.21	11.69	-7.00
Maryland	-5.45	-13.54	2.90	14.57	-1.25
Massachusetts	-7.24	-8.50	-20.86	-17.96	-12.98
Minnesota	2.19	7.67	55.65	236.22	17.76
Nebraska	-4.54	-11.11	38.46	78.50	9.64
New Hampshire	-2.49	-3.27	3.50	17.55	0.20
North Carolina	8.62	7.21	-5.19	-3.11	0.57
North Dakota	2.96	3.29	-6.34	-6.08	-1.28
Pennsylvania	-15.12	-17.74	32.20	53.62	13.81
Rhode Island	-7.57	-8.03	-5.06	0.97	-6.60
Utah	-11.03	-3.44	-5.84	34.39	3.61
Virginia	-10.67	-19.27	0.04	-20.45	-9.65
Wisconsin	-2.70	-13.70	-12.71	40.40	-5.36
Subtotal: Medically Needy States	-3.43	-6.62	-1.35	11.38	-0.89
Alabama	3.10	16.21	-46.98	-23.46	-18.18
Colorado	142.02	42.76	-3.05	52.34	14.68
Delaware	1.82	-1.86	-34.76	-55.13	-31.08
Florida	6.07	12.94	6.83	31.77	8.65
Georgia	-1.42	0.20	-35.96	-7.16	-12.70
Idaho	6.53	8.26	9.60	52.42	9.28
Iowa	-0.17	6.52	90.87	154.19	27.63
Nevada	1.66	6.20	6.13	14.70	4.17
New Jersey	-0.50	-0.11	1.07	22.69	1.58
New Mexico	0.34	11.21	-23.84	-46.15	-12.18
Ohio	-0.80	-17.10	-42.31	-49.27	-14.74
Oregon	-3.58	-1.82	-0.99	25.96	-1.25
South Dakota	-1.56	4.67	36.84	61.58	11.84
Texas	-2.94	5.42	5.61	4.13	-0.69
Subtotal: Non-Medically Needy States	-0.18	-2.49	-7.24	-5.48	-2.88

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

All 14 of the non-medically needy states showed declines. Florida, for example, showed a decline from 488,000 in 1981 to 470,000 in 1982 and New Jersey from 636,000 to 577,000. The total decline in enrollees in the states without medically needy programs was 5.8 percent, which was slightly higher than the 4.1 percent decline in the states with medically needy programs.

Tables 2 and 3 indicate that although the total average monthly number of enrollees receiving cash assistance declined in all but two states, individuals dropped from the cash assistance rolls were apparently not simply transferred to the non-cash-recipient Medicaid eligibility classifications. In most of the states (17, ten of which had medically needy programs) the number of enrollees not receiving cash assistance also fell. Illinois and Massachusetts, for example, experienced decreases of approximately 10,000 persons. Though 14 states did experience increases in their numbers of non-cash assistance enrollees, except in Nebraska the increases were not nearly enough to offset the corresponding cash assistance recipient enrollment declines. Only Pennsylvania experienced a fairly substantial increase in non-cash-recipient enrollment--from 141,000 to 161,000 persons--coupled with a substantial decline in the number of cash recipient enrollees.

2. Aged

The data in Tables 4 and 5 illustrate that Medicaid enrollment generally declined for the aged, continuing the trend from the mid-1970s. The average monthly number of aged eligibles receiving cash assistance (Table 4) fell in 30 of the 31 states. In California, for example, the average fell from 309,000 in 1981 to 293,000 in 1982. (Only New Mexico showed an increase, of 2.4 percent.)

The decreases were not quite as widespread among the aged not receiving cash assistance (Table 5). Average monthly enrollees in this classification fell in only 18 of the 31 states. California, for example, showed an increase of approximately 3,000. In addition, the decreases tended to be relatively small; in 15 of the 18 states they were less than 10 percent. This probably reflects coverage of long-term care under Medicaid, which was expanding around this period of time.

3. Blind and Disabled

The data in Table 4 indicate that the blind and disabled receiving cash assistance typically encountered lesser declines in enrollment than their aged counterparts. Eighteen of the 31 states actually show increases in their numbers of cash-recipient blind and disabled enrollees. For example, in Massachusetts the number of enrollees increased from 5,000 to 59,000, and in Florida from 90,000 to 94,000. None of the declines exceeded 10 percent and 9 of the 13 were less than 4 percent. California, for example, had the largest number of blind and disabled enrollees among the 31 states, and experienced a decline of only .8 percent, from 394,000 to 391,000.

In the states without medically needy programs the total number of blind and disabled enrollees receiving cash assistance actually increased, albeit by only 0.8 percent. Again, these changes are consistent with the long term trend, and may not have been related to the implementation of OBRA.

Enrollment declines for those not receiving cash assistance were greater overall for the blind and disabled than the aged. In the medically needy states the total number of blind and disabled eligibles fell by 6.6 percent, with 13 of the 17 states showing decreases, 5 in excess of 10 percent. The number of enrollees in Pennsylvania, for example, fell from 16,000 to 13,000, in Virginia from 7,000 to 6,000, and in Wisconsin from 10,000 to 8,000. Among the non-medically needy states, the total number of enrollees fell by 2.5 percent. Only 4 of the 14 non-medically needy states experienced a drop in number of enrollees, however, and virtually all of the decline in the group total resulted from Ohio, which, with 24,000 enrollees in 1981 and 20,000 in 1982, constituted approximately one-third of each year's total.

4. AFDC Children

The data in Tables 4 and 5 indicate that the monthly average number of Medicaid enrolled AFDC children declined substantially between 1981 and 1982, particularly for those receiving cash assistance. The number of enrolled cash-recipient AFDC children fell in 30 of the 31 states (Minnesota was the only exception), and in most cases (18) the decline was greater than 10 percent. Massachusetts, for example, experienced a decline in enrollees from 232,000 to 199,000, and Pennsylvania from 431,000 to 379,000. In two states, Arkansas and Delaware, the number of enrollees fell by more than 20 percent.

Again, except in one state (Nebraska), these declines were not offset by increases in the number of enrollees not receiving cash assistance. Although proportional increases in AFDC enrollees not receiving cash assistance were quite high in several states—for example, Iowa, Pennsylvania, and South Dakota--the absolute numbers of enrollees in this classification were so much smaller than in the cash receipient classification that the increases in the former were generally overwhelmed by the decreases in the latter. For example, average monthly cash-recipient enrollees in Pennsylvania fell by 52,000 between 1981 and 1982, while the number of non-cash-recipient enrollees grew by less than half that amount. One possible explanation of these trends is that Pennsylvania's medically needy program may have functioned as a safety net for children with high medical expenses. There is no way to determine with these data, however, whether this is or is not the case.

The data also indicate that there was a great deal of variability among states in changes in numbers of AFDC enrollees between 1981 and 1982. Declines in the number of enrollees receiving cash assistance in medically needy states ranged from 0.2 percent in California (a loss of approximately 1,400 enrollees) to 22.3 percent in Arkansas (a loss of more than 13,000). For enrollees not receiving cash assistance, changes ranged from a decrease of 22.1 percent in Kansas (a loss of about 2,200 enrollees) to an increase of 55.7 percent in Minnesota (a gain of almost 5,000).

5. AFDC Adults

AFDC adults seem to have fared somewhat better than AFDC children following the implementation of the provisions of OBRA. The number of adult enrollees receiving cash assistance did fall between fiscal years 1981 and 1982, but with few exceptions (for example, Massachusetts which showed a decrease of almost 20,000, and Pennsylvania which showed a decrease of more than 30,000) by lower proportions than AFDC children. Moreover, 6 of the 31

states showed an increase in AFDC adults, compared to just 1 for children. The number of adult enrollees increased from 535,000 to 558,000 in California, for example, and from 218,000 to 227,000 in Illinois.

The same trends appear in the figures for enrollees not receiving cash assistance. AFDC adult enrollees increased in 19 of the 31 states, (e.g., from 73,000 to 77,000 in California, and 17,000 to 27,000 in Pennsylvania) compared to 13 for AFDC children. Among states with medically needy programs, the total number of adult enrollees grew by 11.4 percent. Interestingly, 8 of the 10 medically needy states showing an increase in non-cash-recipient enrollees had unemployed parents coverage.

Table 6 divides the states according to whether or not they offered AFDC-UP coverage in December 1980. The data indicate that in general states with AFDC-UP coverage did have lower proportional decreases in their numbers of AFDC adult enrollees. Several of the larger states actually show increases. California, for example, shows adult enrollees rising from 608,000 in 1981 to 635,000 in 1982; Illinois, from 234,000 to 243,000; Ohio, from 175,000 to 182,000; and Wisconsin, from 73,000 to 80,000. In contrast, among the states not offering AFDC-UP coverage, only Georgia shows an increase, from 67,000 to 70,000. One possible explanation for these differences is that Medicaid AFDC-UP coverage may function to some degree as a health insurance program for the unemployed in times of recession. Again, the available data do not allow us to test this hypothesis.

It is not clear why the number of AFDC adults declined less than the number of AFDC children. Some of the difference could be due to a reduction in coverage of 18 to 20 year olds, which OBRA provided as an option to the states. Another possible explanation is that these numbers could reflect the enrollment of the parents, for example due to unemployment, of children who were already covered as Ribicoff kids. Unfortunately, this is another case in which the data will not support a more detailed analysis.

B. Changes in Enrollees as a Percent of Persons in Poverty

To better gauge the impact of the eligibility policy changes contained in OBRA on Medicaid enrollments, in this section we compare the Medicaid enrollment numbers presented above to the number of persons in poverty computed from TRIM2.

Although Medicaid enrollees and the population in poverty are two different groups (e.g., Medicaid can cover individuals with incomes above poverty level and does not cover all individuals with incomes below poverty level), they largely overlap and should move in the same direction. That is, all else being equal, as the number of persons in poverty increases so should the number of Medicaid enrollees. If the eligibility changes enacted in OBRA had any impact, we would expect to see the ratio of Medicaid enrollees to persons in poverty decline after OBRA. If the enrollment changes reflected economic factors rather than policy changes, these ratios could be expected to have remained more or less constant, since those factors should have affected Medicaid enrollments in the same way they affected the population in poverty. To examine this issue we computed the ratios of the number of Medicaid enrollees to the number of persons in poverty for the aged (ages 65+), children (ages less than 21), and adults (ages 21-64) for various groupings of

Table 6

AFDC Adult Enrollees

State	1981	1982	% Change 1981-1982
Total	2,449,636	2,393,371	-2.30
California	607,690	635,445	4.57
Colorado	25,453	24,683	-3.03
Delaware	12,570	9,967	-20.71
Illinois	233,906	242,584	3.71
Iowa	38,673	33,020	-14.62
Kansas	21,047	20,457	-2.80
Maryland	77,200	72,190	-6.49
Massachusetts	127,853	106,922	-16.37
Minnesota	49,915	50,779	1.73
Nebraska	12,770	13,415	5.05
New Jersey	154,377	139,915	-9.37
Onio	174,514	181,988	4.28
Pennsylvania	233,107	209,207	-10.25
Rhode Island	19,047	17,999	-5.50
Utah	16,623	14,897	-10.38
Wisconsin	73,357	80,010	9.07
Subtotal: AFDC-UP States	1,878,101	1,853,477	-1.31
Alabama	51,151	49,248	-3.72
Arkansas	23,369	19,717	-15.63
Florida	81,862	79,760	-2.57
Georgia	66,675	69,636	4.44
Idaho	6,082	5,676	-6.68
Kentucky	71,836	70,241	-2.22
Nevada	4,421	4,189	-5.26
New Hampshire	9,842	9,064	-7.91
New Mexico	16,348	14,533	-11.11
North Carolina	51,172	44,683	-12.68
North Dakota	5,198	4,377	-15.80
Oregon	33,116	29,529	-10.83
South Dakota	5,759	5,263	-8.61
Texas	86,586	78,537	-9.30
Subtotal: Non-AFDC-UP States	571,535	539,894	-5.54

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

the 31 states. These ratios, expressed as percentages, are presented in Tables 7 and 8.

As shown in Table 7, the combined ratio of Medicaid enrollees to persons in poverty for all 31 states declined on average in all three age categories between 1981 and 1982. The decline was substantially smaller for the aged than the other two groups, which is consistent with the long-term trends of falling Medicaid enrollment and falling poverty rates among the aged. In addition, the ratio of enrollees to persons in poverty was much higher for the aged than for the other two groups. Children suffered the greatest disparity between the trends in Medicaid enrollment and poverty rate, with their ratio of enrollees to persons in poverty declining by almost 13 percent between fiscal years 1981 and 1982.

Interestingly, the magnitude of the declines in these ratios for children and adults were not very different between the medically needy and the non-medically needy states. Thus, the smaller decline in enrollees in medically needy states observed earlier was apparently the result of the offset from a greater increase in the pool of persons from which Medicaid enrollees are drawn. The basic difference between medically needy and non-medically needy states appears to have been that the level of coverage was substantially higher in the former. Thus, while both groups of states showed a decline in the ratio of enrollees to poor persons of approximately 11 percent, the base year (1981) ratios in the medically needy states were much higher for all three age groups.

Table 8 divides the states into those with and without AFDC-UP coverage at the beginning of fiscal year 1981. Again, both groups experienced substantial declines in the ratios of enrollees to poor persons in all three age categories. Surprisingly, however, the disparity between the change in adult enrollees and the change in the number of poor adults was much greater in the group with AFDC-UP coverage (with a decline in ratio of enrollees to poor persons of 13 percent), than in the group without it (with a ratio decline of 7 percent). The primary reason for this was a dramatic increase (also 13 percent) in the number of adults with incomes below the poverty line in the AFDC-UP states. This suggests, as could be expected, that states choosing this coverage option to begin with tended to be those most adversely affected by recessions.

Table 7

Medicaid Enrollees as a Percent of Persons in Poverty--For All States and States With and Without Medically Needy Programs

All States

	1981	1982	% Change 1981-1982
Total	50.71	45.01	-11.24
Aged	73.93	70.21	-5.04
Children	52.08	45.40	-12.83
Adults	43.17	38.61	-10.55

States With Medically Needy Programs

	1981	1982	% Change 1981-1982
Total	60.67	53.61	-11.63
Aged	89.05	82.34	-7.55
Children	63.48	55.34	-12.83
Adults	51.21	45.71	-10.74

States Without Medically Needy Programs

	1981	1982	% Change 1981-1982
Total	38.64	34.34	-11.12
Aged	58.83	57.62	-2.05
Children	38.62	33.31	-13.76
Adults	32.60	29.22	-10.38

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Persons in Poverty - Urban Institute TRIM2 simulations.

Table 8

Medicaid Enrollees as a Percent of Persons in Poverty--For States With and Without AFDC-UP Coverage in December of 1980

States With Unemployed Parents Coverage

	1981	1982	% Change 1981-1982
Total	66.06	57.90	-12.35
Aged	91.54	90.39	-1.26
Children	69.57	60.58	-12.92
Adults	56.56	48.95	-13.46

States Without Unemployed Parents Coverage

	1981	1982	% Change 1981-1982
Total	32.68	29.06	-11.08
Aged	58.51	53.76	-8.12
Children	30.80	25.96	-15.74
Adults	26.84	24.99	-6.90

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Persons in Poverty - Urban Institute TRIM2 simulations.

IV. CONCLUSIONS

The primary conclusion arising from this study is that the monthly average number of persons enrolled in Medicaid declined substantially following the implementation of the eligibility policy changes contained in OBRA. Other work done at The Urban Institute has demonstrated that increases in Medicaid spending slowed substantially at the same time.[9] The data presented here suggest that at least a portion of that slowdown was caused by a decrease in the number of people eligible for the program, particularly with respect to the AFDC population. There was not a one to one correspondence between declining enrollments and slower expenditure growth, however. While the number of persons enrolled in the Medicaid program declined between fiscal years 1981 and 1982 by approximately 5 percent, the number of recipients fell by only about 2 percent. This indicates that many of the individuals who lost their eligibility were nonusers of the services offered. Moreover, because of the lack of available enrollment data for years prior to fiscal year 1981, as well as the confounding effects of the recession, it is not possible to determine the extent to which the declines in enrollment were directly related to the policy changes enacted with OBRA.

A second important conclusion arising from the data presented here is that in most cases medically needy programs apparently did not function as a substitute for categorical (cash recipient) coverage. Although medically needy states generally showed smaller declines in their total numbers of enrollees than non-medically needy states, declines in their numbers of enrollees receiving cash assistance were not offset by increases in their numbers of enrollees not receiving cash assistance. In fact, in only 5 of the 17 medically needy states was a decline in the number of enrollees receiving cash assistance accompanied by an increase in the number not receiving cash assistance.

There is evidence, however, that Medicaid may serve as a sort of safety net health insurance program for categorically related enrollees in a few states. As just mentioned, in 5 of the medically needy states a decline in cash-recipient enrollment was accompanied by an increase in non-cash-recipient enrollment. One possible explanation for this is that some enrollees, perhaps those with high medical expenses, who were dropped from the cash assistance rolls may have been picked up as medically needy. Pennsylvania, for example, showed a decrease of 102,000 cash recipient enrollees, but an increase of 19,000 in the number of enrollees not receiving cash assistance.

Third, AFDC-UP coverage may have been effective in functioning as a health insurance program for some of the unemployed. The data showed that states with AFDC-UP coverage experienced much less decline overall in AFDC adult enrollment than states without such coverage. The AFDC-UP states as a whole also showed a dramatic increase in the number of adults with incomes below the poverty level. Several of these states, like Illinois and Ohio--both of which suffered from high unemployment during this period--showed significant increases in numbers of AFDC adult enrollees.

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9. John Holahan, "The Effects of the 1981 Omnibus Budget Reconciliation Act on Medicaid Spending," The Urban Institute, Revised October 1985.

Finally, it appears that following the implementation of the eligibility policy changes contained in OBRA, the trends in Medicaid enrollment for children and adults were in opposition to the trends in incidence of poverty. The ratios of enrollees to persons in poverty declined substantially for both age groups between the two years. Thus, the data are consistent with the hypothesis that changes in Medicaid enrollment between 1981 and 1982 were a function of policy changes rather than economic factors.

APPENDIX

Table A-1

Comparison of Changes in Aged Medicaid Enrollees
Receiving Cash Assistance and Aged Cash Recipients
Under the SSI Program,
Fiscal Years 1981 and 1982

State	Medicaid Enrollees	Cash Recipients
Alabama	-6.48%	-8.10%
Arkansas	-7.87	-8.13
California	-5.13	-5.76
Colorado	-1.30	-3.04
Delaware	-7.12	-8.38
Florida	-4.42	-5.38
Georgia	-6.31	-6.78
Idaho	-15.88	-10.49
Illinois	-6.52	-6.93
Iowa	-7.89	-9.06
Kansas	-5.70	-10.22
Kentucky	-6.44	-7.96
Maryland	-4.93	-6.27
Massachusetts	-6.05	-10.15
Minnesota	-4.89	-8.82
Nebraska	-4.04	-8.87
Nevada	-3.16	-3.09
New Hampshire	-9.17	-11.16
New Jersey	-5.12	-5.66
New Mexico	2.43	-5.27
North Carolina	-16.24	-6.71
North Dakota	-5.40	-10.53
Ohio	-2.99	-9.28
Oregon	-2.74	-6.12
Pennsylvania	-9.93	-8.30
Rhode Island	-5.80	-6.47
South Dakota	-5.49	-7.86
Texas	-4.81	-6.98
Utah	-3.22	-8.27
Virginia	-1.52	-6.66
Wisconsin	-9.76	-12.29

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Cash Recipients - U.S. Department of Health and Human Services, Social Security Administration, "Social Security Bulletin," August 1981 and 1982, Table M-21; October 1981 and 1982, Table M-27.

Table A-2

Comparison of Changes in Blind and Disabled Medicaid Enrollees Receiving Cash Assistance and Blind and Disabled Cash Recipients under the SSI Program, Fiscal Years 1981 and 1982

State	Medicaid Enrollees	Cash Recipients
Alabama	1.21%	1.10%
Arkansas	-0.55	-0.94
California	-0.81	-1.58
Colorado	1.48	-0.63
Delaware	-3.61	-2.05
Florida	4.23	1.39
Georgia	0.28	-0.30
Idaho	-7.29	-0.17
Illinois	-6.58	-0.40
Iowa	-1.66	0.28
Kansas	0.05	-0.40
Kentucky	2.20	0.97
Maryland	0.87	-0.64
Massachusetts	3.17	-3.57
Minnesota	2.18	-0.55
Nebraska	2.21	1.26
Nevada	4.98	2.05
New Hampshire	4.30	1.44
New Jersey	0.76	0.63
New Mexico	5.92	-1.91
North Carolina	-6.86	-0.74
North Dakota	0.57	0.76
Ohio	-1.96	-0.68
Oregon	-0.75	0.08
Pennsylvania	-0.75	-1.18
Rhode Island	0.17	-0.90
South Dakota	0.49	1.13
Texas	-0.51	-0.41
Utah	-1.88	0.44
Virginia	3.73	0.57
Wisconsin	-0.30	-2.33

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Cash Recipients - U.S. Department of Health and Human Services, Social Security Administration, "Social Security Bulletin," August 1981 and 1982, Table M-21; October 1981 and 1982, Table M-27.

Table A-3

Comparison of Changes in Medicaid Enrolled AFDC Children Receiving Cash Assistance and Children in Families Receiving Cash Assistance under the AFDC Program, Fiscal Years 1981 and 1982

State	Medicaid Enrollees	Cash Recipients
Alabama	-8.14%	-7.70%
Arkansas	-22.31	-23.89
California	-0.15	-0.04
Colorado	-11.15	-11.45
Delaware	-21.32	-20.83
Florida	-8.74	-10.46
Georgia	-5.16	-6.58
Idaho	-9.37	-13.74
Illinois	-0.53	-1.45
Iowa	-18.11	-24.48
Kansas	-13.06	-18.86
Kentucky	-17.31	-19.51
Maryland	-7.42	-14.37
Massachusetts	-14.12	-19.41
Minnesota	8.00	-16.98
Nebraska	-1.74	-6.02
Nevada	-8.98	-14.13
New Hampshire	-14.24	-17.42
New Jersey	-13.02	-14.66
New Mexico	-10.43	-11.64
North Carolina	-19.84	-17.01
North Dakota	-18.10	-23.29
Ohio	-2.59	-5.69
Oregon	-13.97	-15.31
Pennsylvania	-12.23	-8.58
Rhode Island	-10.93	-11.63
South Dakota	-12.40	-13.08
Texas	-14.31	-17.06
Utah	-11.78	-23.01
Virginia	-9.10	-13.81
Wisconsin	-2.64	-6.91

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Cash Recipients - U.S. Department of Health and Human Services, Social Security Administration, "Social Security Bulletin," July 1982 and March 1984, Table M-30.

Table A-4

Comparison of Changes in Medicaid Enrolled AFDC Adults Receiving Cash Assistance and Adults in Families Receiving Cash Assistance under the AFDC Program, Fiscal Years 1981 and 1982

State	Medicaid Enrollees	Cash Recipients
Alabama	-2.68%	-3.10%
Arkansas	-16.37	-17.92
California	4.40	3.61
Colorado	-4.39	-3.39
Delaware	-16.82	-13.16
Florida	-3.55	-3.29
Georgia	4.82	5.24
Idaho	-9.29	-10.95
Illinois	4.47	5.36
Iowa	-17.33	-24.74
Kansas	-0.56	-12.99
Kentucky	-7.25	-8.75
Maryland	-7.42	-5.12
Massachusetts	-16.28	-12.77
Minnesota	-2.02	-5.78
Nebraska	0.36	-1.31
Nevada	-5.68	-7.37
New Hampshire	-10.30	-12.55
New Jersey	-10.10	-9.81
New Mexico	-10.20	-8.59
North Carolina	-13.51	-8.63
North Dakota	-17.67	-16.25
Ohio	6.34	2.70
Oregon	-11.94	-13.74
Pennsylvania	-15.43	-6.38
Rhode Island	-5.98	-7.10
South Dakota	-12.47	-10.08
Texas	-9.80	-12.60
Utah	-19.74	-28.16
Virginia	-3.55	-5.56
Wisconsin	6.70	4.17

SOURCE: Medicaid Enrollees - Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Cash Recipients - U.S. Department of Health and Human Services, Social Security Administration, "Social Security Bulletin," July 1982 and March 1984, Table M-30.

Table A-5

Aged Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	1,228,230	1,156,406	-5.85
Alabama	77,183	72,178	-6.48
Arkansas	42,696	39,336	-7.87
California	308,997	293,142	-5.13
Colorado	27,612	27,253	-1.30
Delaware	3,453	3,207	-7.12
Florida	85,264	81,494	-4.42
Georgia	69,800	65,397	-6.31
Idaho	1,501	1,262	-15.88
Illinois	29,050	27,155	-6.52
Iowa	11,588	10,675	-7.89
Kansas	8,215	7,746	-5.70
Kentucky	43,325	40,536	-6.44
Maryland	19,082	18,142	-4.93
Massachusetts	62,309	58,543	-6.05
Minnesota	11,198	10,651	-4.89
Nebraska	5,215	5,004	-4.04
Nevada	3,094	2,996	-3.16
New Hampshire	1,699	1,543	-9.17
New Jersey	34,842	33,058	-5.12
New Mexico	11,777	12,063	2.43
North Carolina	39,474	33,064	-16.24
North Dakota	2,588	2,448	-5.40
Ohio	26,700	25,901	-2.99
Oregon	4,480	4,358	-2.74
Pennsylvania	61,847	55,708	-9.93
Rhode Island	5,740	5,408	-5.80
South Dakota	3,731	3,526	-5.49
Texas	162,972	155,131	-4.81
Utah	2,437	2,358	-3.22
Virginia	32,186	31,698	-1.52
Wisconsin	28,178	25,428	-9.76

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-6

Aged Not Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	580,103	566,582	-2.33
Alabama	11,305	11,656	3.10
Arkansas	10,613	10,766	1.44
California	91,147	94,503	3.68
Colorado	469	1,135	142.02
Delaware	1,080	1,099	1.82
Florida	17,205	18,249	6.07
Georgia	18,081	17,824	-1.42
Idaho	3,180	3,387	6.53
Illinois	35,249	32,950	-6.52
Iowa	13,488	13,464	-0.17
Kansas	14,801	13,765	-7.00
Kentucky	10,811	10,873	0.58
Maryland	16,314	15,424	-5.45
Massachusetts	41,528	38,523	-7.24
Minnesota	27,259	27,856	2.19
Nebraska	6,787	6,479	-4.54
Nevada	1,536	1,561	1.66
New Hampshire	5,428	5,293	-2.49
New Jersey	22,091	21,982	-0.50
New Mexico	2,126	2,133	0.34
North Carolina	12,253	13,309	8.62
North Dakota	4,293	4,420	2.96
Ohio	38,920	38,607	-0.80
Oregon	10,737	10,352	-3.58
Pennsylvania	45,545	38,659	-15.12
Rhode Island	11,770	10,879	-7.57
South Dakota	3,479	3,425	-1.56
Texas	52,172	50,637	-2.94
Utah	3,385	3,012	-11.03
Virginia	17,892	15,984	-10.67
Wisconsin	29,162	28,374	-2.70

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-7

Blind and Disabled Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	1,427,875	1,415,308	-0.88
Alabama	60,904	61,639	1.21
Arkansas	35,270	35,077	-0.55
California	393,872	390,675	-0.81
Colorado	9,585	9,728	1.48
Delaware	4,534	4,370	-3.61
Florida	90,063	93,876	4.23
Georgia	84,275	84,512	0.28
Idaho	2,112	1,958	-7.29
Illinois	89,148	83,278	-6.58
Iowa	14,581	14,339	-1.66
Kansas	9,546	9,551	0.05
Kentucky	53,139	54,310	2.20
Maryland	32,429	32,711	0.87
Massachusetts	57,434	59,253	3.17
Minnesota	15,819	16,163	2.18
Nebraska	6,426	6,568	2.21
Nevada	2,584	2,713	4.98
New Hampshire	2,756	2,875	4.30
New Jersey	59,057	59,506	0.76
New Mexico	17,047	18,057	5.92
North Carolina	35,897	33,433	-6.86
North Dakota	1,657	1,666	0.57
Ohio	58,707	57,556	-1.96
Oregon	8,400	8,337	-0.75
Pennsylvania	102,971	92,928	-9.75
Rhode Island	9,010	9,025	0.17
South Dakota	4,146	4,166	0.49
Texas	94,467	93,986	-0.51
Utah	3,791	3,720	-1.88
Virginia	32,055	33,249	3.73
Wisconsin	36,195	36,084	-0.30

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-8

Blind and Disabled Not Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	197,584	187,094	-5.31
Alabama	1,904	2,213	16.21
Arkansas	3,104	3,216	3.62
California	33,196	32,775	-1.27
Colorado	2,488	3,552	42.76
Delaware	366	359	-1.86
Florida	2,619	2,958	12.94
Georgia	4,201	4,210	0.20
Idaho	2,782	3,011	8.26
Illinois	23,299	21,765	-6.58
Iowa	2,056	2,190	6.52
Kansas	4,471	4,177	-6.58
Kentucky	2,644	2,479	-6.24
Maryland	4,740	4,099	-13.54
Massachusetts	9,271	8,483	-8.50
Minnesota	8,519	9,173	7.67
Nebraska	1,638	1,456	-11.11
Nevada	247	262	6.20
New Hampshire	1,406	1,360	-3.27
New Jersey	6,802	6,794	-0.11
New Mexico	497	552	11.21
North Carolina	3,538	3,793	7.21
North Dakota	1,021	1,055	3.29
Ohio	23,832	19,755	-17.10
Oregon	5,848	5,742	-1.82
Pennsylvania	16,386	13,478	-17.74
Rhode Island	3,504	3,222	-8.03
South Dakota	684	716	4.67
Texas	8,345	8,797	5.42
Utah	1,503	1,451	-3.44
Virginia	7,003	5,654	-19.27
Wisconsin	9,671	8,346	-13.70

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-9

AFDC Children Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	4,845,266	4,494,501	-7.24
Alabama	123,198	113,175	-8.14
Arkansas	58,395	45,366	-22.31
California	942,125	940,738	-0.15
Colorado	53,344	47,397	-11.15
Delaware	24,374	19,177	-21.32
Florida	200,161	182,661	-8.74
Georgia	166,842	158,226	-5.16
Idaho	13,911	12,607	-9.37
Illinois	491,447	488,863	-0.53
Iowa	72,695	59,533	-18.11
Kansas	53,046	46,119	-13.06
Kentucky	122,136	100,997	-17.31
Maryland	147,868	136,895	-7.42
Massachusetts	232,086	199,308	-14.12
Minnesota	89,315	96,465	8.00
Nebraska	27,423	26,945	-1.74
Nevada	9,186	8,361	-8.98
New Hampshire	14,578	12,502	-14.24
New Jersey	328,493	285,723	-13.02
New Mexico	42,672	38,223	-10.43
North Carolina	139,922	112,166	-19.84
North Dakota	9,338	7,648	-18.10
Ohio	410,619	399,966	-2.59
Oregon	57,231	49,237	-13.97
Pennsylvania	431,352	378,601	-12.23
Rhode Island	36,525	32,534	-10.93
South Dakota	12,350	10,818	-12.40
Texas	223,339	191,384	-14.31
Utah	25,854	22,808	-11.78
Virginia	121,566	110,501	-9.10
Wisconsin	163,880	159,561	-2.64

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-10

AFDC Children Not Receiving Cash Assistance

(Includes children to whom Medicaid coverage is extended even though they do not meet the categorical definition of a dependent child, e.g., "Ribicoff kids.")

State	1981	1982	% Change 1981-1982
Total	599,975	585,273	-2.45
Alabama	10,159	5,387	-46.98
Arkansas	10,563	7,657	-27.51
California	200,490	196,517	-1.98
Colorado	8,611	8,349	-3.06
Delaware	4,230	2,760	-34.76
Florida	10,550	11,270	6.83
Georgia	11,599	7,428	-35.96
Idaho	1,473	1,614	9.60
Illinois	32,028	27,088	-15.42
Iowa	5,390	10,288	90.87
Kansas	10,021	7,802	-22.14
Kentucky	36,059	29,131	-19.21
Maryland	18,056	18,579	2.90
Massachusetts	31,191	24,685	-20.86
Minnesota	8,930	13,900	55.65
Nebraska	2,688	3,722	38.46
Nevada	1,224	1,299	6.13
New Hampshire	1,449	1,500	3.50
New Jersey	30,088	30,410	1.07
New Mexico	2,077	1,582	-23.84
North Carolina	18,576	17,613	-5.19
North Dakota	3,723	3,487	-6.34
Ohio	9,555	5,513	-42.31
Oregon	7,974	7,895	-0.99
Pennsylvania	61,932	81,875	32.20
Rhode Island	4,264	4,048	-5.06
South Dakota	1,463	2,002	36.84
Texas	8,106	8,561	5.61
Utah	2,996	2,821	-5.84
Virginia	12,852	12,857	0.04
Wisconsin	31,660	27,635	-12.71

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-11

AFDC Adults Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	2,264,876	2,191,714	-3.23
Alabama	48,588	47,287	-2.68
Arkansas	22,077	18,462	-16.37
California	534,884	558,415	4.40
Colorado	24,841	23,751	-4.39
Delaware	11,294	9,395	-16.82
Florida	79,599	76,778	-3.55
Georgia	64,570	67,682	4.82
Idaho	5,825	5,284	-9.29
Illinois	217,713	227,451	4.47
Iowa	38,060	31,463	-17.33
Kansas	18,151	18,049	-0.56
Kentucky	52,760	48,936	-7.25
Maryland	73,924	68,437	-7.42
Massachusetts	120,899	101,217	-16.28
Minnesota	49,128	48,133	-2.02
Nebraska	12,004	12,047	0.36
Nevada	4,329	4,083	-5.68
New Hampshire	8,997	8,071	-10.30
New Jersey	150,939	135,696	-10.10
New Mexico	15,936	14,311	-10.20
North Carolina	47,072	40,711	-13.51
North Dakota	4,360	3,590	-17.67
Ohio	168,063	178,715	6.34
Oregon	32,148	28,310	-11.94
Pennsylvania	215,644	182,379	-15.43
Rhode Island	17,738	16,678	-5.98
South Dakota	5,459	4,778	-12.47
Texas	83,425	75,246	-9.80
Utah	13,750	11,035	-19.74
Virginia	54,508	52,571	-3.55
Wisconsin	68,192	72,758	6.70

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

Table A-12

AFDC Adults Not Receiving Cash Assistance

State	1981	1982	% Change 1981-1982
Total	184,760	201,657	9.15
Alabama	2,563	1,962	-23.46
Arkansas	1,292	1,255	-2.84
California	72,806	77,029	5.80
Colorado	612	932	52.34
Delaware	1,276	572	-55.13
Florida	2,263	2,982	31.77
Georgia	2,105	1,954	-7.16
Idaho	257	392	52.42
Illinois	16,193	15,133	-6.55
Iowa	613	1,558	154.19
Kansas	2,896	2,408	-16.86
Kentucky	19,076	21,305	11.69
Maryland	3,276	3,753	14.57
Massachusetts	6,954	5,705	-17.96
Minnesota	787	2,646	236.22
Nebraska	767	1,369	78.50
Nevada	92	105	14.70
New Hampshire	845	993	17.55
New Jersey	3,438	4,218	22.69
New Mexico	412	222	-46.15
North Carolina	4,100	3,973	-3.11
North Dakota	838	787	-6.08
Ohio	6,451	3,273	-49.27
Oregon	968	1,220	25.96
Pennsylvania	17,463	26,828	53.62
Rhode Island	1,308	1,321	0.97
South Dakota	301	486	61.58
Texas	3,161	3,292	4.13
Utah	2,874	3,862	34.39
Virginia	3,609	2,871	-20.45
Wisconsin	5,165	7,252	40.40

SOURCE: Health Care Financing Administration, "Monthly Statistical Report on Medical Care: Part III," Form HCFA-120, October 1980 through September 1982, unpublished.

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